

§ 320.7

unpaid principal balance, with all prepayments and other unscheduled recoveries of principal being passed through to the holder. In the case of delinquent mortgages in a pool backing modified pass-through securities, the issuer is required to make advances if necessary to maintain the specified schedule of interest and principal payments to the holders, or at its option, at any time 90 days or more after default of any such mortgage, the issuer may repurchase such mortgage for an amount equal to the unpaid principal balance of the mortgage. The securities, if issued in certificated form, must specify the dates by which payments are to be made to the holders thereof, and must indicate the accounting period for collections on the pool's mortgages relating to each such payment, and the securities, if issued in certificated form, must also specify a date on which the entire principal will have been paid or will be payable.

(b) *Issue amount.* Each issue of guaranteed securities must be in a minimum face amount as specified in the applicable MBS Guide. The total face amount of any issue of securities cannot exceed the aggregate unpaid principal balances of the mortgages in the pool. The Association may provide for issuers to submit packages of mortgages that may be consolidated, with other packages of similar types of mortgages, into multiple issuer pools.

(c) *Face amount of securities.* The face amount of any security cannot be less than \$25,000.

(d) *Transferability.* Securities are transferable, but the share of the proceeds collected on account of the pool of mortgages is payable only to the registered holder of a security according to the policies established by the Association.

(e) *Issue date.* Securities with issue dates of October 1, 1998, or before, have been issued in certificated form. Except for serial note securities and securities backed by multifamily mortgage pools, securities with issue dates of November 1, 1998, or thereafter, will be issued initially in uncertificated, book-entry form. Following initial issuance, certificated securities will be issued in exchange for uncertificated securities at the request of the registered holder

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and upon payment of any required fee. Serial notes and securities backed by multifamily mortgage pools will continue to be issued in certificated form until the applicable MBS Guide provides otherwise.

(f) *Delivery.* Delivery of uncertificated securities occurs when the book-entry depository's nominee is registered as the registered owner of the securities on Ginnie Mae's central registry.

(g) *Guaranty.* The Ginnie Mae guaranty of uncertificated securities becomes effective when the book-entry depository's nominee is registered as the registered owner of the securities on Ginnie Mae's central registry.

(Approved by the Office of Management and Budget under control number 2503-0009)

[60 FR 42015, Aug. 14, 1995, as amended at 63 FR 51251, Sept. 24, 1998; 64 FR 34106, June 24, 1999]

§ 320.7 Mortgages.

Each issue of guaranteed securities must be backed by a separate pool of mortgages which meet the requirements of the applicable MBS Guide.

§ 320.9 Pool administration.

The Association will only guarantee securities if the issuer executes a guaranty agreement or contractual agreement in the form prescribed by the Association. Pool administration requirements are set forth in such agreements or the applicable MBS Guide.

(Approved by the Office of Management and Budget under control numbers 2503-0003, 2503-0004, 2503-0006, 2503-0007, and 2503-0026)

§ 320.10 Financial reporting.

Issuers shall submit to the Association audited annual financial statements within 90 days of their fiscal year end. All financial statements with a fiscal year end date on or after [one year after the effective date of this rule] shall include a classified balance sheet and a statement of operations and cash flows, prepared in accordance with the standards for financial audits of the U.S. General Accounting Office's *Government Auditing Standards*, issued by the Comptroller General of the United States. The balance sheet shall show the division of total assets into